

Balancing Services Development and Update

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Rebecca Yang
Senior Account Manager

Key drivers for developments

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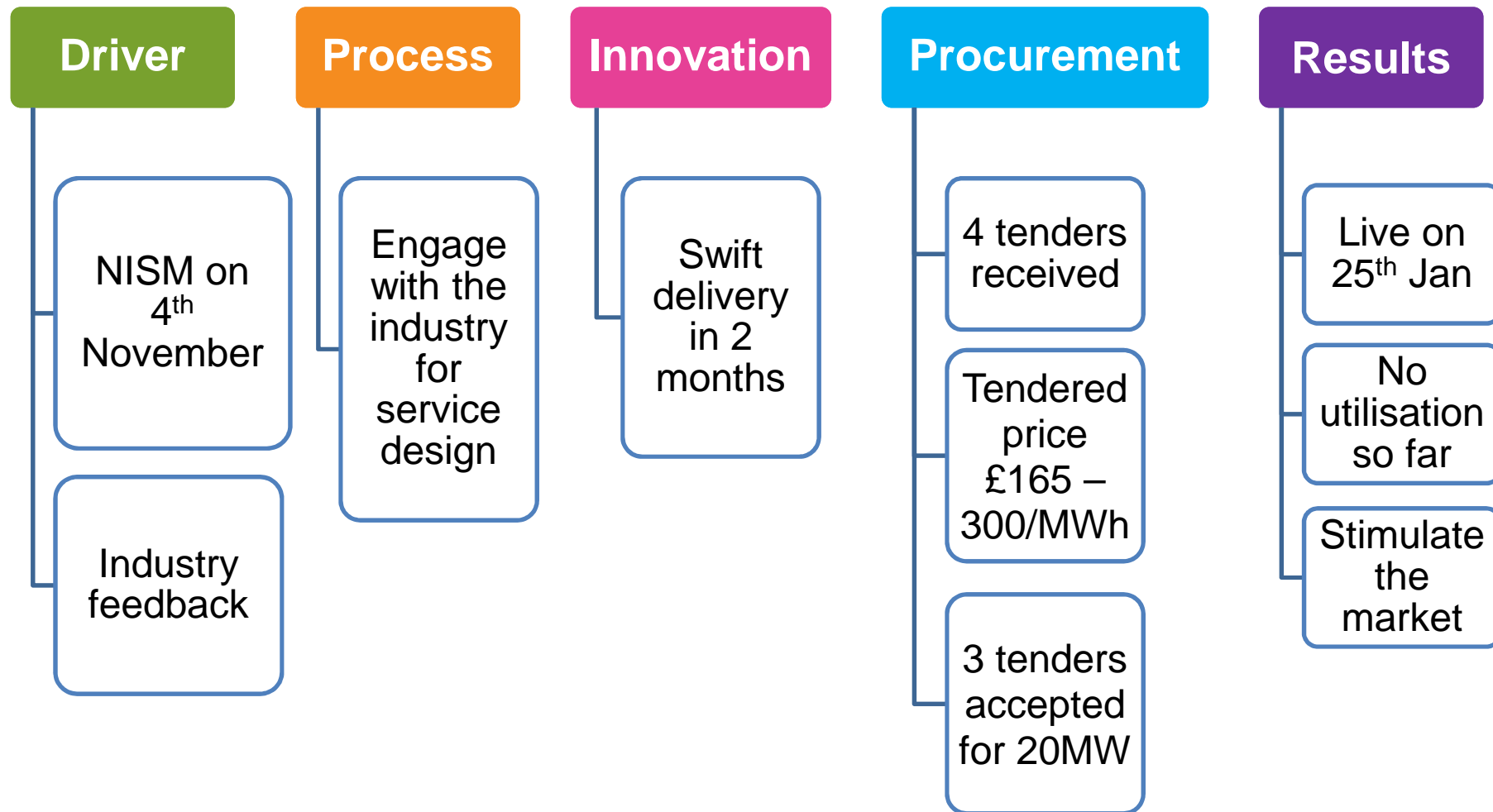
Industry Feedback

**Power
Responsive
campaign**

**System
Operability
Framework
(SOF)**

Enhanced Optional STOR Service Trial

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Enhanced Frequency Response Service Drivers

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Size

- Increase of potential largest infeed loss

Speed

- System inertia forecast to reduce by 15%-25% by 2020

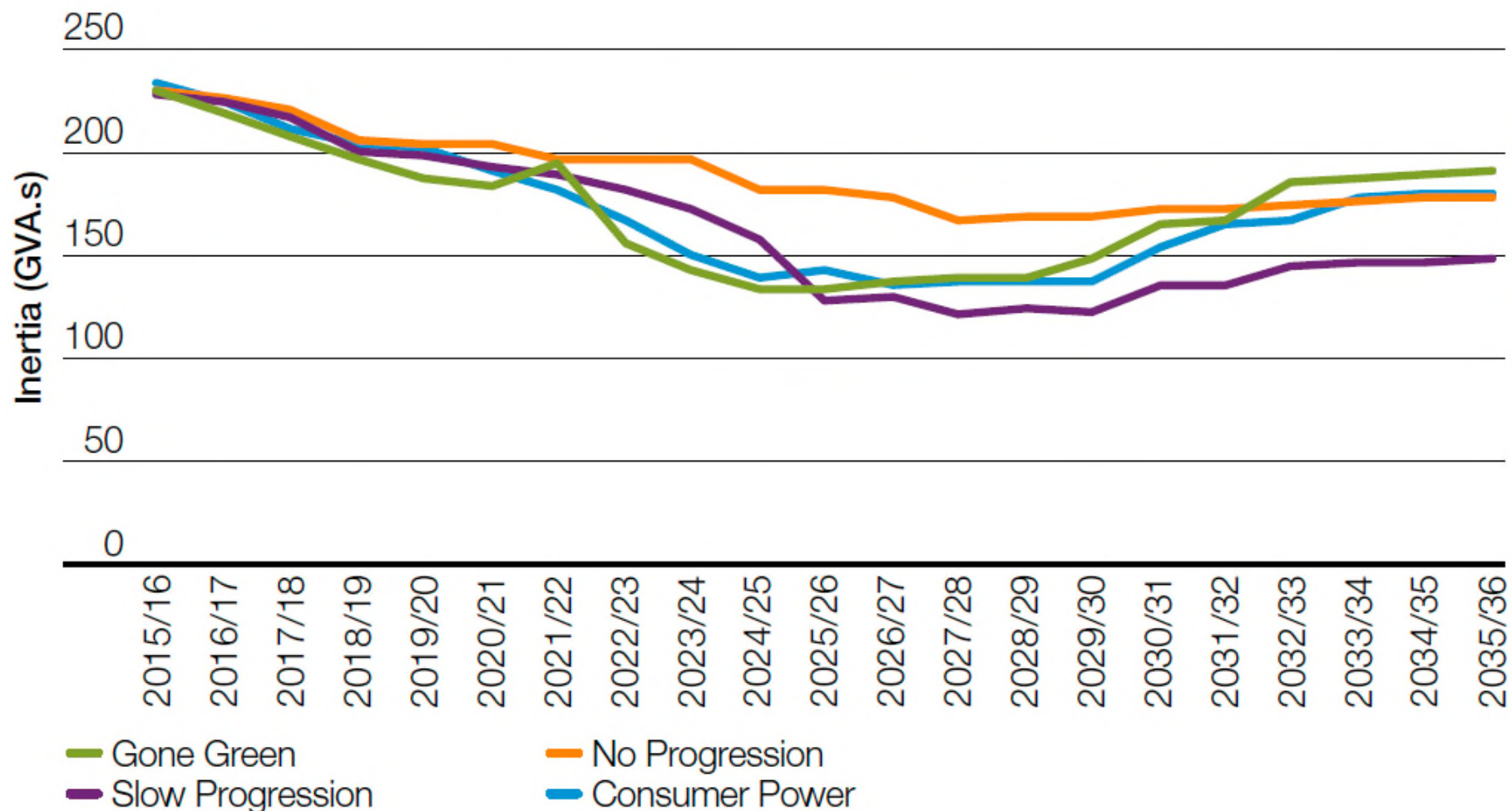
Source

- Decrease in “traditional” frequency response providers

Enhanced Frequency Response Inertia Forecast

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Minimum System Inertia Including Contribution from Embedded Generation



Enhanced Frequency Response Procurement Process

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**Summer
2015**

New Service Opportunity Identified

- Continuous dynamic frequency response delivering in 1s from a deviation
- Aim to procure approximately 200MW, with a cap of 50MW per Applicant

**October
2015**

Invitation for Expressions of Interest

- Over 60 submissions received
- Over 1.3GW of capacity proposed

**March
2016**

Finalise Invitation to Tender Pack

- Aim to include application process, technical description, assessment criteria, value periods, contract drafting

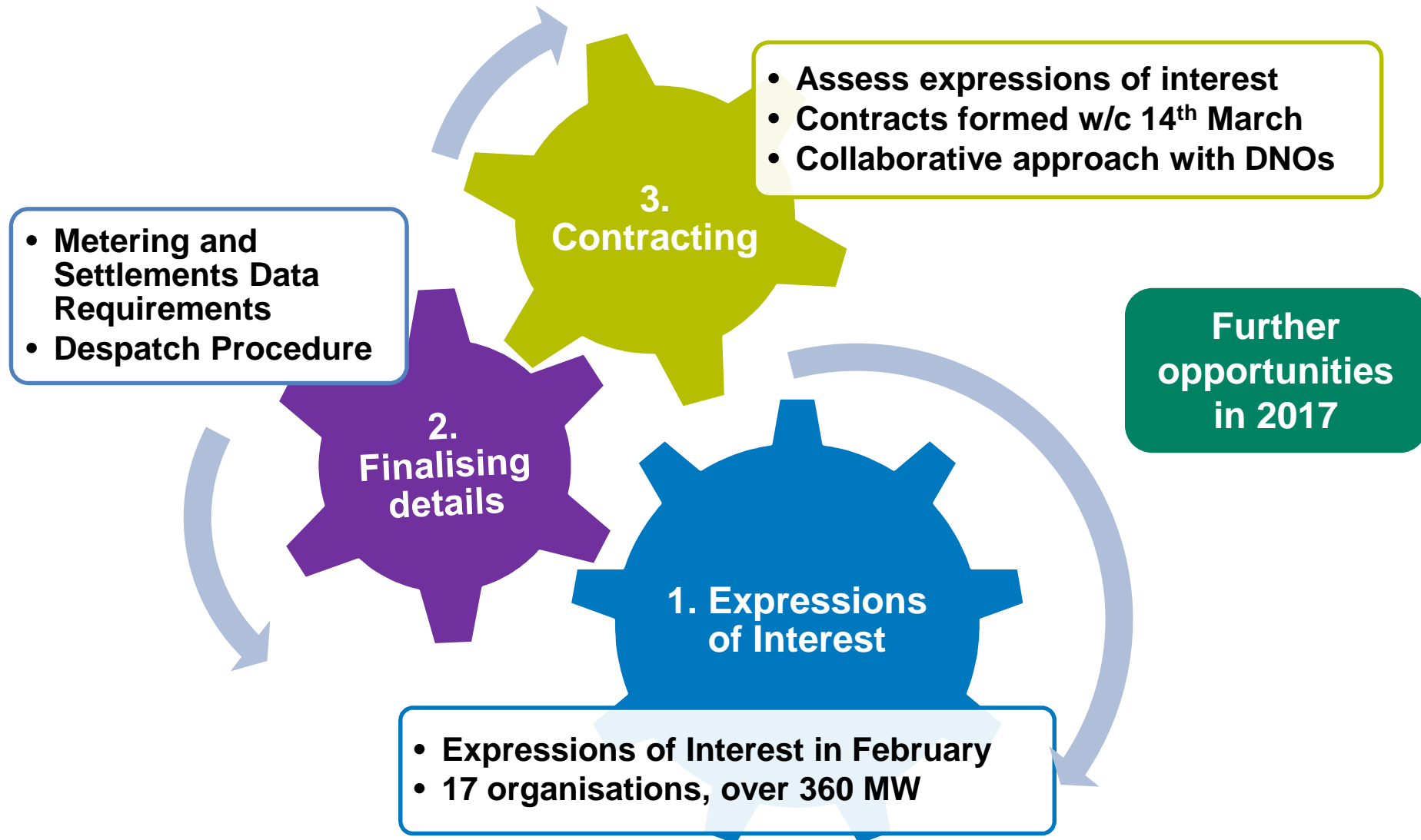
**June
2016**

Tender Event

- Aim to assess tenders by end of July
- Service delivery 18 months after tender award

Demand Turn Up Service Update

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- **Outline Change Proposal is available for your comments**
- **Changes are based on industry feedback**
- **Aim to achieve:**

Enhanced Flexibility

- Introduce flexible tender process
- Allow temporary volume reduction

Increased Certainty

- Introduce spread indexed price
- Limit applicable time for reconciliation

Greater Transparency

- Publish more information e.g. providers' names, fuel type

FFR Service Review Timescale

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12/02

- Publish the Outline Change Proposal

11/03

- **Deadline for submitting comments**

31/03

- Service review webinar

12/05

- Publish Detailed Change Proposal

04/08

- Implement the changes

Please contact Steve Miller for more details

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Target Audience

- New DSR Balancing Service providers
- Potential service providers

Agenda

- Introduction of National Grid System Operator role
- How DSR helps with system balancing
- Balancing Services Overview
- Q&A

DSR Open Day on 22nd March 9:30 – 13:00, Wokingham

Please register your interest by 16th March at

commercial.operation@nationalgrid.com

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Q&A

commercial.operation@nationalgrid.com